

DIRECT GRADUATE MEDICAL EDUCATION PAYMENTS UNDER THE MEDICARE PROGRAM

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 2008

Mr. PASCRELL. Madam Speaker, I rise today to introduce legislation, with my friend and colleague Congressman RON LEWIS, which will bring equity to an unjust Medicare compensation formula currently used to reimburse teaching hospitals.

Under current law, Medicare uses an antiquated formula to determine payments for hospitals with Direct Graduate Medical Education, DGME, programs designed to educate and train physicians. The formula, which was created in the 1980s no longer serves as an accurate reflection of the actual costs of operating training programs in the 21st century.

Currently, more than 600 hospitals that train physicians are paid less than the national average, meaning that Medicare pays less than its fair share for the costs of educating doctors in these hospitals. In my home State of New Jersey alone, teaching hospitals have lost about \$6.9 million.

The current system stymies these hospitals' ability to train a workforce sufficient to care for the growing Medicare population.

Despite congressional efforts in 1999 and 2001 to make incremental improvements in DGME payments, hospitals still receive only 85 percent of the cost of the national average that teaching hospitals incur today for operating costs.

Bringing the effort to fruition, this legislation requires Medicare to at least pay the average cost of operating a training program. It would increase the DGME payment—for hospitals whose historical costs are less than the national average—to 100 percent of the national average per resident amount.

The floor should be increased to the national average so no hospitals receive less than Medicare's fair share of the costs of operating a medical education program. This bill does not affect hospitals whose historical costs are above the national average.

I have introduced this measure in the interest of America's hospitals, medical students, and the Medicare patients who will one day depend on their doctors to have the highest level of training and expertise.

As it stands now, hundreds of teaching hospitals are being reimbursed by Medicare at an inadequate level for their work in training America's doctors of tomorrow. Too many hospitals, students, and patients are depend-

ing on us to equip teaching hospitals with the financing they need to produce a corps of well trained, experienced physicians.

Without it, I am concerned that these unsustainable losses are a real threat to the future of this nation's healthcare infrastructure.

I urge my colleagues to join me in cosponsoring this legislation to provide a DGME level that accurately reflects of the actual costs of operating physician training programs in the 21st century.

RICHARD HATCHER**HON. PETER J. VISCLOSKY**

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 13, 2008

Mr. VISCLOSKY. Madam Speaker, it is with great honor and pleasure that I stand before you today to honor one of northwest Indiana's most distinguished and honorable citizens. I have known the Honorable Richard Hatcher for many years, and he is one of the most influential citizens I have ever known, especially when it comes to the progress he made for residents of northwest Indiana and the entire United States. Forty years ago, Richard was elected mayor of Gary, Indiana, and in doing so, he, along with the late Carl Stokes of Cleveland, Ohio, became the first African American individuals elected to serve as mayors of major metropolitan areas. Since this time, Richard has been a constant fixture in not only Gary, but throughout northwest Indiana. Today, as we celebrate this significant event in our Nation's history, we reflect on the magnitude of his election and the progress that has been achieved since that time. In Mayor Hatcher's honor, as well as in honor of Carl Stokes, a celebration will be taking place on Saturday, February 23, 2008, at the Genesis Convention Center in Gary, Indiana.

Richard Gordon Hatcher was born on July 10, 1933, in Michigan City, Indiana. Following his graduation from high school, Richard went on to complete his bachelor of science degree in business and government at Indiana University. Subsequently, he also earned his bachelor of law and juris doctorate degrees from Valparaiso University. After completing law school, Richard relocated to Gary and began practicing law in East Chicago, Indiana. This was the beginning of his remarkable legal career, which included service as a deputy prosecutor for Lake County, Indiana. From there, his political career began when he was elected to the Gary City Council. Then, in 1967, he was elected mayor of Gary, the office he would hold for an astonishing 20 years.

Throughout his political career, Richard was always involved with various commissions and councils, including: the United States Conference of Mayors, for which he served as a member of the executive board and as vice president and president of the conference, the National League of Cities, the National Conference of Black Mayors, for which he was elected its first president, the National Urban Coalition, and the National Black Caucus of Local Elected Officials, for which he served 4 years as president. He also received Presidential appointments to serve on two commissions: the United States Advisory Commission on Intergovernmental Relations and the United States Commission on Education. Richard has also had a great impact on American society through his involvement with several civil rights organizations, both locally and nationally, including: the National Association for the Advancement of Colored People (NAACP), the Urban League of Northwest Indiana, TransAfrica, the National Civil Rights Hall of Fame, the Martin Luther King Center for Non-Violent Social Change, and the Operation PUSH/Rainbow Coalition.

Throughout his illustrious career, Richard has been honored time and time again for his dedication and steadfast efforts in improving the quality of life for all people. To name a few of his accolades, Richard was honored in 1974, by Time magazine as one of the "200 Outstanding Young Leaders in the United States," as well as one of the "100 Most Influential Black Americans" by Ebony magazine. He was also awarded the "President's Award" by the National League of Cities in 1987, the "Adam Clayton Powell Award" by the Congressional Black Caucus in 1977, the Operation PUSH "Award of Excellence" in 1980, and the Roy Wilkins Award from the NAACP in 1989. In addition, he has been honored with the "Urban Leadership Award" by the Indiana Association of Cities and Towns, the "Distinguished Mayor Award" by the National Urban Coalition, and the "Fannie Lou Hamer Freedom Award" from the National Conference of Black Mayors.

Madam Speaker, through his election as mayor of Gary in 1967, Richard Hatcher has been a cornerstone in the building of a better America. He has continued his efforts toward progress through the many ways he has selflessly given his time and efforts to the people of Gary, northwest Indiana, and beyond. At this time, I ask that you and all of my distinguished colleagues join me in commending him, as well as the late Carl Stokes, on their 40th anniversary of this significant event in our Nation's history, as well as for his lifetime of service and dedication to his community.